



## Mayor Coleman's 2007 Proposed Saint Paul City Budget: Putting Saint Paul Back On Track

# 2007 Proposed Budget in Brief

### Background:

- The City did not increase its property tax collections for 12 straight years. Finally, for 2006, tax receipts grew 3%.
- State cuts to the City's Local Government Aid (LGA) from 2003-2005 that reached \$23 million per year were only partially absorbed in the City budget, leading to increasing reliance on one-time fixes, especially drawdown of reserves. These sources are now nearly exhausted.
- The 2006 adopted budget used nearly \$10 million of one-time financing that must be replaced in 2007, along with absorbing continuing cost pressures. This led to a \$16.5 million budget gap for 2007.

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### Public Safety First

*Targeted resources to neighborhoods in need*

The Proposed Budget:

- Adds five police officers above the current staffing level; restores police staffing to highest level in Saint Paul history
- Increases funding for concentrated police overtime
- Invests in fire and emergency response staffing and facilities
- Adds new investments in public safety and emergency communications

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### Better Services, Lower Costs

*Library and recreation services when and where citizens need and want them; one-stop inspections*

Restructures service delivery systems for better service to the public and total cost savings of \$800,000 per year:

- Refocuses library hours on user demand and access to materials, and adds free WiFi at four locations
- Consolidates citywide inspection functions into one new Regulatory Services Division and eliminates two departments
- Redesigns Park and Recreation services to deliver a wider range of services at more sites around the City, including all current recreation centers
- Internally reallocates \$2 million from lower to higher priorities within the budget

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### Financially Responsible: For Taxpayers

*Controlling spending growth keeps the tax rate low*

The Mayor's Proposed Budget:

- Holds general City and Library spending growth to 2.5%—below long-term inflation.
- Property tax growth of approximately \$5.5 million is expected to keep Saint Paul near 50<sup>th</sup> in the metro-wide ranking of city taxes, while reducing the City's tax rate.
- Solves ⅔ of the \$16.5 million budget gap with permanent solutions, limits one-time measures to \$5 million, and sets the path to restore a structurally-balanced budget within four years
- Creates a new Energy Conservation Investment Fund to make short-term investments in City facilities for long-term savings in energy use and utility bills
- Funds improvements to the city's infrastructure, and provides for bonding for economic development purposes.

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### For the Future

*Permanent, sustainable budget solutions*

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